forward a proposal for debt swap to enable the States to retire high cost debt so as to supplement their efforts towards fiscal consolidation.

Proposal of CII on VAT

2750. SHRI SATISH PRADHAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government have received any proposal for CII on the 'Implementation of VAT, in India;

(b) if so, what are the details thereof and what is Government's response thereto; and

(c) the steps taken or proposed to be taken for the implementation of VAT in the country for boosting Indian industry and trade?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Does not arise in view of the above.

(c) Sales Tax is a State subject. However, in a Conference of Chief Ministers held on 16th November, 1999, the States decided to replace their sales tax system with a Value Added Tax (VAT) system. An Empowered Committee of States Finance Ministers has been constituted to monitor implementation of VAT by the States with effect from 1.4.2003. The Union Government is facilitating and coordinating the endeavour of the States for transition to a Value Added Tax regime. The CII was given an opportunity by the abovementioned Empowered Committee to place its suggestions relating to VAT before the said Committee and the Committee has taken note of these suggestions.

Shareholding of UTI

2751. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) what is the UTI's shareholding upto 5 per cent in large private sector companies; and

(b) if so, the details in this regard, company-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) List of private companies where UTI has holdings from 100% to 5% is given in the Statement.

Statement

List of the Companies wherein the Trust is holding up to 5% of paid up Equity Capital of the Company.

Sl. No.	The Company Name	% Holding
1	2	3
1.	UTI Venture Fund MGMT Co. Ltd.	100.00
2.	UTI Investor Services Ltd.	100.00
3.	UTI Securities Exchange Ltd.	100.00
4.	UTI - IAS Ltd.	78.65
5.	IDCOL Cement Limited	42.42
6.	UTI Bank Ltd.	41.71
7.	SICOM Ltd.	40.00
8.	Palace Hights Hotels Ltd.	35.17
9.	Velagapuddi Steels Ltd.	34.53
10.	Eureka Industries Limited	34.35
11.	Infrastructure Leasing & Fin.	32.38
12.	Euro Cotspin Ltd.	31.71
13.	Marwar Hotels Ltd.	31.48
14.	Pharmax Corporation Ltd.	30.61
15.	J.K. Pharmachem Ltd.	30.16
16.	Hanuman Tea Company Limited	29.99
17.	The Dhar Textile Mills Limited	28.07
18.	Electra India Ltd.	27.73
19.	Geekay Exim (India) Ltd.	26.06
20.	Kashipur Holdings Ltd.	25.39
21.	Derby Textiles Ltd.	25.25
22.	Shakumbari Sugar & Allied Ind.	25.00

1	2	3
23.	Marico Industries Ltd.	22.62
24.	Polychem Ltd.	22.29
25.	Feedback First Urban Infra Dev. Co.	22.22
26.	National Securities Depositor	21.19
27.	Eastern Medikit Ltd.	21.03
28.	Koatex Infrastructure Ltd.	20.37
29.	Soma Paper & Inds. Ltd.	20.22
30.	Jenson & Nicholson (I) Ltd.	20.12
31.	Over the Counter Exchange	20.00
32.	Unit Trust MGMT Co. (Pvt.) Ltd.	20.00
33.	Chhatar Industries Ltd.	19.90
34.	Mcnally Bharat Engineering Co.	19.87
35.	Nuchem Ltd.	19.80
36.	MTZ Polyesters Ltd.	19.72
37.	Orissa Lamps Ltd.	19.72
38.	Steel Tubes of India Ltd.	19.56
39.	Mahaveer Finance (India) Ltd.	18.97
40.	Mafatlal Industries Ltd.	18.40
41.	Shree Vindhya Paper Mills Ltd.	18.39
42.	Canfin Homes Ltd.	18.36
43.	Delta International Ltd.	18.19
44.	Diamond Dyes Manufacturing	18.14
45.	Malwa Cotton SPG. Mills Ltd.	18.08
46.	Mysore Cements Ltd.	17.94
47.	Surat Textile Mills Ltd.	17.70
48.	Ferro Concrete Ltd.	17.36
49.	Kothari Sugars & Chemicals Ltd.	17.08
50.	Mangalam Cement Ltd.	17.04
51.	Stock Holding Corporation of	16.96
52.	Modi Rubber Ltd.	16.85
53.	Investor Services of India Ltd.	16.67

1	2	3
54.	CMYK Printech Private Limited	16.56
55.	Punjab Tractors Ltd.	16.21
56.	Jaipur Metals & Electricals Ltd.	16.13
57.	Somani Ferro Alloys Ltd.	16.13
58.	Sylvannia Laxman Ltd.	16.12
59.	Telephone Cables Ltd.	16.03
60.	Welspun Syntex Ltd.	16.00
61.	Modern Denim Ltd.	15.94
62.	Tata Cons & Project Services	15.63
63.	XLO India Ltd.	15.58
64.	Shri Ambuja Petrochemicals Ltd.	15.38
65.	V B C Ferro Alloys Limited	15.05
66.	Deve Paints Limited	14.90
67.	Gujarat State Fert. & Chemical	14.81
68.	Sunflag Iron & Steel Co. Ltd.	14.69
69.	Tin Plate Co. of India Ltd.	14.67
70.	Pennar Aluminium Co. Ltd.	14.49
71.	Tube Investments of India Ltd.	14.31
72.	Modistone Limited	14.26
73.	Poysha Industrial Co. Ltd.	14.22
74.	Dr. Writers Food Products Ltd.	14.20
75.	JIK Industries Ltd.	14.09
76.	Maral Overseas Ltd.	14.06
77.	VXL Instruments	14.00
78.	J.K. Industries Ltd.	13.96
79.	High Energy Batteries (I) Ltd.	13.90
80.	INDO-Deutsche Metallo Chimiqu	13.89
81.	Dewan HSG Finance Corp. Ltd.	13.83
82.	Triveni Glass Limited	13.72
83.	Mobile Telecommunication	13.53
84.	Modern Syntex (India) Ltd.	13.47

1	2	3
85.	Indore Wire Co. Ltd.	13.41
86.	Ponni Sugars Erode Ltd.	13.36
87.	Krishna Vinyls Ltd.	13.25
88.	Rajalakshmi Mills Ltd.	13.21
89.	Synthetics & Chemicals Ltd.	13.16
90.	Kalyani Seamless Tubes Ltd.	13.07
91.	Stone India Ltd.	13.00
92.	Thana Electric Supply Co. Ltd.	12.84
93.	UMI Special Steel Ltd.	12.76
94.	IFCI Venture Capital Funds Ltd.	12.74
95.	MCS Ltd.	12.67
96.	Rollatainers Ltd.	12.62
97.	Dewan Sugars Ltd.	12.60
98.	Shervani Industrial Syndicate	12.59
99.	Jagsunpal Pharmaceuticals Ltd.	12.58
100.	Indian Organic Chemicals Ltd.	12.53
101.	Unitel Communications Ltd.	12.50
102.	Kool Breweries Ltd.	12.50
103.	Credit Analysis & Research Ltd.	12.50
104.	Modern Terry Towels Ltd.	12.41
105.	TRF Ltd.	12.36
106.	Shri Ram Multi Tech. Ltd.	12.26
107.	I.T.C. Ltd.	12.05
108.	SRF Polymers Ltd.	12.02
109.	Gloster Jute Mills Ltd.	11.97
110.	India Glycols Limited	11.96
111.	Fort Gloster Industries Limited	11.94
112.	Nova Steels (India) Limited	11.92
113.	Parasrampuria Inds. Ltd.	11.91
114.	L.I.C. Housing Finance Ltd.	11.87
115.	Tata Refractories Ltd.	11.74

1	2	3
116.	Sterling Tools Ltd.	11.73
117.	Via Media India Ltd.	11.72
118.	M.M. Forgings Ltd.	11.69
119.	Welspun India Limited	11.66
120.	SRF Ltd.	11.57
121.	Bongigaon Refinery & Petr. Ltd.	11.51
122.	Polymer Papers Ltd.	11.48
123.	Gujarat Alkalies & Chemicals	11.47
124.	S. Kumars Synfabs Ltd.	11.42
125.	EIH Associated Hotels Ltd.	11.35
126.	Colour-Chem Ltd.	11.31
127.	UT Ltd.	11.31
128.	Digvijay Finlease Ltd.	11.30
129.	Sanghi Spinners (India) Ltd.	11.29
130.	Garware Nylons Ltd.	11.28
131.	Serene Industries Limited	11.27
132.	Mysore Petro Chemicals Ltd.	11.20
133.	Venkatramana Food Specl Ltd.	11.14
134.	Murudeshwar Ceramics Ltd.	11.12
135.	Nisha Synthetics Ltd.	11.11
136.	Firth (India) Steel Co. Ltd.	11.02
137.	Fenner (India) Ltd.	11.02
138.	India Satcom Ltd.	11.02
139.	New Century Leasing & Invt. Ltd.	11.01
140.	NICCO Corporation Ltd.	11.00
141.	Be-Delft Electronics Ltd.	11.00
142.	Standard Surfactants Ltd.	11.00
143.	Eastern Circuits Ltd.	10.95
144.	W.S. Industries (I) Ltd.	10.91
145.	Modi Alkalies & Chemicals Ltd.	10.76
146.	Indian Steel rolling Mills Ltd.	10.73

1	2	3
147.	Fulford India Limited	10.71
148.	Orissa Sponge Iron Ltd.	10.53
149.	J.K. Synthetics Ltd.	10.53
150.	Vardhaman Polytex Ltd.	10.52
151.	Abmuja Cement Rajasthan Ltd.	10.52
152.	DCM Shriram Industries Ltd.	10.51
153.	MPL Finance and Leasing	10.50
154.	National Plywood Ltd.	10.46
155.	Jaipur Polyspin Ltd.	10.41
156.	K.G. Khosala Compressors Ltd.	10.40
157.	BPL Limited	10.34
158.	MTZ (India) Ltd.	10.29
159.	Gujarat Synthwood Ltd.	10.26
160.	Anik Ship Breaking Industries	10.25
161.	Bihar Caustic and Chemicals Ltd.	10.22
162.	Salem Textiles Ltd.	10.20
163.	Tanfac Industries Ltd.	10.18
164.	Hindalco Industries Ltd.	10.17
165.	Larsen & Toubro Ltd.	10.15
166.	Indswift Labs Ltd.	10.11
167.	Hindustan Petroleum Corpn. Ltd.	10.05
168.	Exide Industries Limited	10.03
169.	Birla Corporation Ltd.	10.03
170.	North Eastern Developt. Fin. Co.	10.00
171.	Pathfinder Investment Co. Pvt.	10.00
172.	BPL Refrigeration Limited	9.96
173.	Shri Ishar Alloy Steels Ltd.	9.93
174.	Equipment Conductors & Cables	9.89
175.	GIC Housing Finance Ltd.	9.85
176.	Ballarpur Industries Ltd.	9.85
177.	Moving Pictures Company (India) Ltd.	9.84

1	2	3
178.	Hitkari Fibres Ltd.	9.80
179.	Nav-Jyothi Invt. and Dealers Ltd.	9.77
180.	Energy Development Co. Ltd.	9.75
181.	Namtech Systems Limited	9.74
182.	ICICI Banking Corporation Ltd.	9.72
183.	Vijaya Kumar Mills Ltd.	9.61
184.	Laxmi Starch Ltd.	9.56
185.	Stanrose Mafatlal Invest & FI	9.49
186.	VESUVIUS (India) Ltd.	9.47
187.	Mahindra.Ugine Steel Co. Ltd.	9.47
188.	Tata Infomedia Ltd.	9.46
189.	Unipon (India) Ltd.	9.44
190.	UB Engineering Limited	9.42
191.	Rane (Madras) Ltd.	9.40
192.	Crisil Ltd.	9.38
193.	Lime Chemicals Ltd.	9.37
194.	Numero Uno International Limited	9.35
195.	IDI Limited	9.30
196.	ITC Hotels Ltd.	9.27
197.	Autoriders Finance Limited	9.26
198.	Videocon Communication Ltd.	9.24
199.	ICDS Ltd.	9.16
200.	Esab India Ltd.	9.10
201.	Greaves Ltd.	9.03
202.	Usha Martin Infortech Ltd.	9.02
203.	HCL Technologies Ltd.	8.94
204.	Birla Yamaha Ltd.	8.93
205.	Ispat Alloys Ltd.	8.92
206.	Willard India Ltd.	8.89
207.	Pfizer Limited	8.88
208.	Assambrooke Ltd.	8.86

1	2	3
209.	Universal Prime Aluminium Ltd.	8.86
210.	Modern Threads (India) Ltd.	8.83
211.	Jersey India Limited	8.81
212.	BASF India Ltd.	8.79
213.	Deepak Nitrite Ltd.	8.79
214.	Morepen Laboratories Ltd.	8.77
215.	Arihant Industries Ltd.	8.77
216.	Jayshree Tea & Industries Ltd.	8.73
217.	Steel Stripes Ltd.	8.70
218.	Podar Mills Ltd.	8.70
219.	Shree Syntetics Ltd.	8.65
220.	Balrampur Chini Mills Ltd.	8.65
221.	Dabur India Ltd.	8.63
222.	Autopal Industries Ltd.	8.56
223.	Reliance Industries Ltd.	8.56
224.	Roofit Industries Limited	8.55
225.	Shriram Honda Power Equipment	8.47
226.	Garden Silk Mills Ltd.	8.38
227.	Alfa Laval (India) Ltd.	8.37
228.	Bharat Pipes & Fittings Ltd.	8.32
229.	BSES Ltd.	8.30
230.	Usha Beltron Ltd.	8.24
231.	Veekay Fibre Ltd.	8.22
232.	Maars Software International	8.22
233.	Shaw Wallace & Co. Ltd.	8.16
234.	Manali Petrochemical Ltd.	8.14
235.	Alps Industries Ltd.	8.10
236.	Goetze (India) Ltd.	8.07
237.	Eicher Limited	8.05
238.	Pennar Steel Ltd.	8.04
239.	Balaji Disttileries Ltd.	8.02

1	2	3
240.	Pharmaceuticals Products	8.00
241.	Ambica Agarbatti & Aroma Inds. Ltd.	7.99
242.	FGP Ltd.	7.99
243.	Gujarat Reclaim & Rubber Prod.	7.98
244.	Mahindra & Mahindra Ltd.	7.97
245.	Sri Lakshmi Saraswathi (ARNI)	7.96
246.	ICRA Limited	7.95
247.	ATN International Ltd.	7.89
248.	Jamna Auto Industries Ltd.	7.88
249.	S.B.I. Home Finance Ltd.	7.87
250.	Coates of India Ltd.	7.84
251.	Rajasthan SPG & WVG Mills Ltd.	7.82
252.	Mirza Tanner	7.74
253.	Anglo-French Drugs & Industries	7.74
254.	Burroughs Welcome & Co. Ltd.	7.69
255.	Dr. Reddy's Laboratories Ltd.	7.65
256.	NRC Limited	7.65
257.	Metal Box Co. of India Ltd.	7.64
258.	Glaxo India Ltd.	7.64
259.	JUI Ltd.	7.64
260.	J.F. Laboratories Ltd.	7.60
261.	Madhumilan Syntex Ltd.	7.55
262.	Rossell Financial Services Ltd.	7.54
263.	RIL Investment Ltd.	7.54
264.	T.T.K. Healthcare Ltd.	7.54
265.	La-Opala Glass Ltd.	7.50
266.	Deepak Fertilisers and Petroc	7.49
267.	I.I.T. Capital Services Limited	7.48
268.	Shriyam Securities and Finance	7.46
269.	Mahavir Spinning Mills Ltd.	7.45
270.	Tourism Finance Corpn. of India	7.42

1	2	3
271.	Enerzon Technics Ltd.	7.39
272.	Jai Mata Glass Limited	7.39
273.	Rallis India Ltd.	7.36
274.	Sumex Chemicals	7.31
275.	Clariant (India) Ltd.	7.28
276.	Weston Components Ltd.	7.27
277.	Oriental Carbon & Chem. Ltd.	7.26
278.	Crest Communications	7.23
279.	K.R. Steel Union Pvt. Ltd.	7.23
280.	Varun Shipping Company Ltd.	7.19
281.	D.C.M. Ltd.	7.18
282.	Pearl Ships Ltd.	7.17
283.	PSM Spinning Limited.	7.17
284.	Rama Phosphates Ltd.	7.13
285.	Elnet Limited	7.12
286.	Rajinder Steels Ltd.	7.10
287.	Aurobindo Pharma Limited	7.06
288.	Hindustan Composites Limited	7.04
289.	Himatsing Ka Seide Ltd.	7.01
290.	IDBI	7.01
291.	Oberoi Plastics Ltd.	6.96
292.	Indian Magnetics Ltd.	6.94
293.	Oswal Spinning Mills Ltd.	6.91
294.	Oswal Agro Mills Ltd.	6.91
295.	Gayatri Starch Kem Ltd.	6.90
296.	Indian Resort Hotels Ltd.	6.89
297.	Longview Tea Company Limited	6.89
298.	Alok Industries Ltd.	6.85
299.	Sun Earth Ceramics Ltd.	6.84
300.	Sekurit Saint Gobain India	6.82
301.	EIH Limited	6.79

1	2	3
302.	Blue Dart Express Ltd.	6.78
303.	B & A Ltd.	6.78
304.	Orton Synthetics Ltd.	6.72
305.	Shree Vallabh Glass Works Ltd.	6.71
306.	Bhagawati Gases Ltd.	6.70
307.	Broadcast Worldwide Pvt. Ltd.	6.70
308.	BPL Sanyo Unilities & Appliances	6.69
309.	Bell Ceramics Ltd.	6.67
310.	Royal Cashion Vinyl Products	6.67
311.	Steel Authority of India Ltd.	6.63
312.	Premier Vinyl Flooring Ltd.	6.63
313.	Indag Rubber Products Ltd.	6.62
314.	Consolidation Fiber & Chem Ltd.	6.60
315.	Stewarts & Lloyds of (I) Ltd.	6.59
316.	Macdowel Spirits Ltd.	6.59
317.	Bharat Earth Movers Ltd.	6.58
318.	Kajaria Ceramics Ltd.	6.55
319.	Munjal Showa Ltd.	6.54
320.	Denso India Ltd.	6.53
321.	Atul Ltd.	6.52
322.	Seshasayee Paper and Boards	6.51
323.	Kalyani Steels Ltd.	6.50
324.	Cresent Finstock Private Ltd.	6.49
325.	Rathi Alloys & Steel Ltd.	6.44
326.	Jain Studios	6.44
327.	JBT Industries Ltd.	6.40
328.	Gujarat Instruments Ltd.	6.39
329.	Excel Industries Ltd.	6.37
330.	Shipping Corpn. of India	6.35
331.	Mukand Ltd.	6.32
332.	D.K. Chemo Plast Ltd.	6.29

1	2	3
333.	Panther Industrial Products Ltd.	6.29
334.	Krishna Engineering Works Ltd.	6.26
335.	Orient Paper & Inds Ltd.	6.25
336.	Zenith Ltd.	6.23
337.	Bagadia Colourchem Ltd.	6.18
338.	Hoechst Marion Roussel Limited	6.17
339.	Bharat Heavy Electricals Ltd.	6.17
340.	Bharat Petroleum Corpn. Ltd.	6.14
341.	K.S.B. Pumps Ltd.	6.13
342.	IDL Industries Limited	6.11
343.	Punjab Alkalies & Chem. Ltd.	6.10
344.	Remington Rand India Ltd.	6.08
345.	Smithkline Beecham Consumer H	6.06
346.	GIS Limited	6.04
347.	Fedders Lloyd Corporation Ltd.	6.01
348.	Shri Adhikari Brothers	6.00
349.	RPG Cable Ltd.	5.98
350.	Pudumjee Agro Industries Ltd.	5.97
351.	Coromandel Stamping & Stone	5.97
352.	Viraj Alloys Ltd.	5.96
353.	Grapco Industries Ltd.	5.95
354.	Datasoft Applications Software	5.95
355.	Cyber Space Info Ltd.	5.92
356.	Gujarat Carbon and Industries	5.91
357.	Parke Davis (India) Ltd.	5.89
358.	Weston Electroniks Ltd.	5.88
359.	Baroda Rayon Corporation Ltd.	5.85
360.	Premier Automobiles Ltd.	5.83
361.	V & K Softech Ltd.	5.81
362.	Super Forgings & Steels Ltd.	5.80
363.	Dewan Rubber Industries Ltd.	5.80

1	2	3
364.	Qualitron Companies Ltd.	5.78
365.	Ponni Sugars & Chemicals Ltd.	5.77
366.	Dewan Steels Ltd.	5.76
367.	SVC Superchem Limited	5.75
368.	Bharat Electronics Ltd.	5.74
369.	Mahendra Suitings Ltd.	5.74
370.	Television Eighteen India Ltd.	5.74
371.	Dharamsi Morarjee Chemical Co.	5.72
372.	Swadeshi Mills Ltd.	5.72
373.	Ucal Fuel Syst Ltd.	5.71
374.	HGI Industries Ltd.	5.71
375.	Himachal Futuristic Comunica Ltd.	5.69
376.	Thapar Agro Chemicals Ltd.	5.69
377.	Gujarat High Tech Industries	5.69
378.	Industrial Investment Trust Ltd.	5.68
379.	Ranbaxy Computers Ltd.	5.67
380.	Satyam Computers Ltd.	5.66
381.	Walchand Capital Ltd.	5.65
382.	Shriram Bearings Ltd.	5.63
383.	Matushree Textiles Ltd.	5.62
384.	FDC Limited	5.60
385.	Biotech Consortium Ind Ltd.	5.59
386.	Ahmedabad Electricity Co. Ltd.	5.58
387.	ABB Ltd.	5.55
388.	Logix Microsystems Ltd.	5.51
389.	Wyeth Lederele Ltd.	5.49
390.	Universal Cables Ltd.	5.48
391.	Orissa Polyfibres Ltd.	5.46
392.	Hytaisun Magnetics Ltd.	5.46
393.	Knoll Pharmaceuticals Ltd.	5.45
394.	IFB Agro Industries Ltd.	5.44

1	2	3
395.	Tata Coffee Ltd.	5.44
396.	Apollo Fibres Ltd.	5.43
397.	Arihant Cotsyn Ltd.	5.42
398.	N C L Seccolor Ltd.	5.40
399.	Saregama India Ltd.	5.40
400.	Rank Industries Ltd.	5.39
401.	Golden Agro-Tech Industries Ltd.	5.38
402.	Abhishek Industries Ltd.	5.35
403.	Raymond Limited	5.34
404.	Britannia Industries Ltd.	5.34
405.	Sona Steering Systems Limited	5.31
406.	Indo Gulf Corporation Ltd.	5.30
407.	Apcotex Lalttices Ltd.	5.29
408.	Balmer Lawrie Investments Ltd.	5.29
409.	Indian Rayon & Industries Ltd.	5.29
410.	SM Dyechem Ltd.	5.28
411.	Bihar Sponge Iron Ltd.	5.28
412.	MIPCO Seamless Rings (Gujarat)	5.27
413.	Oriqua Limited	5.26
414.	Standard Industries Ltd.	5.26
415.	Century Textiles & Industries	5.25
416.	Nirlon Ltd.	5.24
417.	Kanakdhara Steel Ltd.	5.24
418.	Venky's (India) Ltd.	5.21
419.	SWIL Limited	5.20
420.	Banco Products India Ltd.	5.20
421.	Kothari Industries Corpn. Ltd.	5.16
422.	Bhushan Steels & Strips Ltd.	5.15
423.	V.I.P. Industries Ltd.	5.14
424.	Motherson Sumi System Ltd.	5.13
425.	Infotech Enterprises Ltd.	5.12

1	2	3
426.	Karnataka Ball Bearings Ltd.	5.12
427.	Vimta Labs. Ltd.	5.07
428.	Hindustan Organic Chemicals Ltd.	5.05
429.	National Aluminium Co. Ltd.	5.04
430.	DCL Polyesters Ltd.	5.03
431.	JCT Electronics Ltd.	5.02
432.	BOC India Ltd.	5.01
433.	Jaipur Syntex Ltd.	5.01
434.	S.T.I. Granite (Ind) Ltd.	5.00

Higher interest rates of Banks

2752. SHRI B.S. GNANADESIKAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that some of the nationalized banks are charging higher interest rates, thereby going contrary to the RBI guidelines;

(b) if so, what are the reasons therefor; and

(c) what action Government will take to rectify it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Reserve Bank of India (RBI) has reported that the lending rates of banks have been deregulated since October 1994. Banks are free to announce the Prime Lending Rate (PLR) as decided by their Boards. Currently, on loans above Rs. 2 lakh, banks are free to charge lending rates on fixed/ floating rate loans and offer tenor-linked PLRs. Banks are also allowed to charge sub-PLR rates or with spread on their PLR for credit limit of above Rs. 2 lakh depending on their risk perception/creditworthiness of the borrowers. However, PLR is the ceiling rate for loans upto Rs. 2 lakh.